

Old Age, Disability, Death

First laws: 1906 (salaried employees) and 1924 (wage earners).
Current law: 1995.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 26.76 crowns.

Coverage

Employees, members of industrial production cooperatives, advanced students, farmers, artists, and self-employed persons.

Source of Funds

Insured person: 6.5% of earnings.

Employer: 19.5% of payroll.

Government: Any deficit.

Above contributions also finance work-injury cash benefits.
Maximum earnings for benefit purposes: 5,600 crowns a month, plus 30% of earnings between 5,600 and 11,200 crowns and 10% of earnings over 11,200 crowns.

Qualifying Conditions

Old-age pension: From January 1, 2007, men, age 62; women, age 57 to 61, according to number of children raised. (During the period from January 1, 1996 to December 31, 2006, retirement age is being gradually increased by 2 months per year for men and by 4 months per year for women.) 25 years of insurance (15 years at age 65). Early retirement possible up to 3 years before normal retirement age (4 years after 2001; 5 years after 2006). Substantial limitation of work necessary during the first 2 years following retirement age.

Disability pension: Total disability (66% loss of earning capacity), or partial disability (33% loss of earning capacity). 5 years of insurance in last 10 years (1-4 years if under age 28).

Survivor pension: Deceased met pension requirements or was pensioner at time of death.

Old-Age Benefits

Old-age pension: Basic flat rate: 920 crowns plus earnings related portion of 1.5% of average indexed earnings for each year of insurance after 1985.

Minimum pension: Basic flat rate plus 770 crowns.

Increment of 4% per year of work and deferral of pension beyond normal retirement age.

Reduction of 4% (for unemployed persons) or 2.4% per year in case of early retirement.

Permanent Disability Benefits

Disability pension: For total disability, basic flat rate of 1,060 crowns plus earnings-related portion of 1.5% of average indexed earnings for each year of insurance after 1985. Minimum pension: Same as for old-age pension.

Constant-attendance supplement: 300, 600, or 900 crowns per month, according to degree of disability.

Partial disability: Basic flat rate of 1,060 crowns plus earnings-related portion of 0.75% of average indexed earnings per year of insurance.

Survivor Benefits

Survivor pension: Basic flat rate of 1,060 crowns plus 50% of the earnings-related portion of deceased's pension. Payable to all widows or widowers for 1 year; thereafter, only to widows age 55 or widowers age 58, or any age if disabled, caring for dependent or disabled child or for disabled parent.

Orphans: Basic flat rate of 1,060 crowns plus 40% of the earnings-related portion of deceased's pension for each dependent child (for full orphans, the basic flat rate is payable only once).

Administrative Organization

Ministry of Labor and Social Affairs, general supervision.

Social Security Administration, administration of benefits through joint office.

Sickness and Maternity

First law: 1888.

Current laws: 1956 (cash sickness benefits), 1968 (maternity benefits), 1992 (medical care).

Type of program: Social insurance system.

Coverage

Cash benefits: Employees, members of industrial production cooperatives, and advanced students. For self-employed persons sickness insurance is voluntary.

Source of Funds

Insured person: Cash sickness and maternity benefits, 1.1% of earnings. Medical care, 4.5%.

Employer: Cash sickness and maternity benefits, 3.3% of payroll. Medical care, 9%.

Government: Any deficit.

Qualifying Conditions

Cash sickness and medical benefits: Currently insured. No minimum period of coverage.

Eligibility continues for 6 weeks after coverage ceases.

Cash maternity benefits: 270 days of insurance in last 2 years. Eligibility continues for 6 months after employment ceases.

Sickness and Maternity Benefits

Sickness benefit: For 1st 3 days, 50% of earnings; from 4th day, 69%. Maximum earnings for benefit calculation, 270 crowns a day. Payable from 1st day of incapacity for up to 1 year, or 2 years if recovery likely.

Maternity benefit: 69% of earnings. Maximum, 186 crowns a day. Payable for 28 weeks (37 weeks for single mother and multiple births) including at least 6 weeks before confinement.

Workers' Medical Benefits

Medical benefits: Medical services provided directly to patients through facilities of public and private health service. Medical treatment, hospitalization, medicines, dental care (with limited cost sharing), maternity care, appliances, travel expenses, sanatorium and spa treatment, and partial cost of holiday camps.

Duration: No limit.

Dependents' Medical Benefits

Medical benefits for dependents: Same medical services as for family head. In addition, all resident children under age 18 receive medical care in own right, as do all women in case of maternity care.

Administrative Organization

Cash benefits: Ministry of Labor and Social Affairs, general supervision. Subsidiary offices on a regional and district level, administration of cash benefits. Employers of big firms pay employees' benefits.

Medical services: Ministry of Health, general supervision. Social Security Administration, administration of program. Services provided through district health centers and hospitals, local health centers, and clinics in individual establishments and paid for by individual health insurance companies.

Administrative Organization

Temporary disability benefits: Ministry of Labor and Social Affairs, general supervision. Subsidiary offices on a regional and district level, administration of benefits. Employers of big firms pay employees' benefits.

Permanent disability and survivor pensions: Ministry of Labor and Social Affairs, general supervision. Social Security Administration, administration of benefits through joint office.

Medical benefits: Ministry of Health, general supervision. Services provided through district and local health centers and factory clinics.

Unemployment

First law: 1991.

Current law: 1992 and 1996 (amendment).

Type of Program: Social insurance system.

Coverage

Czech Republic citizens, at least 15 years old and capable of working.

Source of Funds

Insured person: 0.4% of earnings.

Employer: 3.2% of payroll.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: Registered with the Labor Office as looking for work. Employment for at least 12 months in the past three years. ("Substitute periods" can be considered employment, such as basic military service, care for a child up to age 4, etc.)

Unemployment Benefits

Unemployment benefit: 60% of earnings during first 3 months; 50% for next 3 months; 70% in case of retraining. Maximum: 4,788 crowns per month; 5,702 crowns in case of retraining.

Administrative Organization

Ministry of Labor and Social Affairs, general supervision; Labor offices and district social security offices, administration of benefits.

Family Allowances

First law: 1945.

Current law: 1995.

Type of program: Universal system.

Coverage

Families with children.

Source of Funds

Insured person: None.

Employer: None.

Government: Whole cost.

Work Injury

First law: 1887.

Current laws: 1956 (short-term benefits), 1990 (self-employed), 1995 (pensions).

Type of program: Social insurance system.

Coverage

Employees and members of industrial production cooperatives, farmers and other self-employed persons.

Coverage

Insured person: See pension and sickness contributions, above.

Employer: Same.

Government: Same.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefits: Same as cash sickness benefits, above.

Permanent Disability Benefits

Permanent Disability Benefits: Same as for general disability, above.

Workers' Medical Benefits.

Medical benefits: Same as for ordinary sickness.

Survivor Benefits

Survivor benefits: Same as general survivor benefits.

Funeral grant: Lump sum of 3,000 crowns.

(In addition the Labor Code requires that employees or their survivors receive a benefit for occupational accidents or occupational diseases.)

Qualifying Conditions

Family allowances: Dependent child (up to age 26 if student).

Family Allowance Benefits

Family allowances (means-tested): If family income below 1.1 of living minimum, benefit equal to 32% of living minimum of children for each child; if family income from 1.1 to 1.8 of living minimum, 28% of living minimum of children for each child; if family income from 1.8 to 3.0 of living minimum, 14% of living minimum of children for each child; if family income over 3.0 of living minimum, no entitlement.

Birth grant: 4 times the living minimum of children.

Parents' allowance: If caring for child at home, 1.1 of living minimum of adult persons up to age 4 of child.

Administrative Organization

Ministry of Labor and Social Affairs, general supervision.

District social security offices, administration of benefits.